

in both rural and urban health systems, has been to shift those costs to other third party payers. Increasingly, both private and public third-party payers are targeting their own clients and eliminating any cost shift.

### **An Infrastructure for Rural Health**

In the early 1970s, the General Assembly created and funded four key components to address rural health issues. One was the Area Health Education Center Program, a nine-center system of continuing medical education that remains the most extensive of its kind in the nation. A second resource was the School of Medicine at East Carolina University, which continues to be an important source of health care providers for the eastern part of the state and other rural areas. Thirdly, it funded an extensive network of family practice residency program across the state. Fourth, the legislature created the N.C. Office of Rural Health. Since 1973, the Office's staff have worked to establish an extensive network of 65 community-based, consumer-run primary health care centers and is the primary resource for recruiting primary care providers to rural N.C. communities.

In addition, the state has a strong system of high-quality tertiary care hospitals and four schools of medicine, in addition to training programs for physician assistants, nurse practitioners, and certified nurse-midwives. The state's system of 87 Public Health Departments, among the most extensive in the nation, provide important maternal and child health and environmental health services to rural populations.

Many state agencies—using state, federal and/or grant dollars—support rural health programs. Some examples of these programs:<sup>5</sup>

- Extensive and continuous technical assistance to community-based, consumer-operated health centers;
- Limited capital and operational grants to selected community-based health centers;
- State and federal loan repayment for physicians and other providers locating to targeted rural and medically underserved urban practices;
- High-need service bonus payments to physicians and other providers locating to targeted rural and medically underserved urban practices;
- Medical placement services for physicians and other providers interested in locating to rural and medically underserved urban practices;

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<sup>5</sup> Adapted from "Rural Health: An Evolving System of Accessible Services," Tracey M. Orloff and Barbara Tymann, National Governors' Association, Health Policy Studies Division, Center for Policy Research, 1995, pp. 209-216.